

Silver Flag Exercise Site

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Fundamentals of Contracting



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Overview

- Purchase Methods
- Contractual Instruments and Clauses
- File Documentation and Administration
- Termination and Contract Closeout
- Contract File Staging and Disposition

Referenc

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- **AFFARS, Appendix CC**
 - CC-502-1(c) & 502-2(c)
 - CC-502-3(a)
 - CC-502-4
- **AFLMA CCO Handbook**
 - Pages 24 - 26
 - Pages 28 - 31



Why Contract Admin?

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- **Documentation procedures are IAW FAR 4.8**
 - **Maintain consistency (driven by the complexity of the requirement) throughout the contract process**

- **Purposes for creating and maintaining contract files:**
 - **Establish the basis for the acquisition / award and subsequent actions taken by the Contracting Officer**
 - **Provide a complete background to support decisions at each step in the acquisition process**
 - **Document actions for contract payment**
 - **Provide information for review and investigations**
 - **Furnish essential facts should litigation inquiry occur**

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General Contracting Policy

- **> \$3,000 (\$2,000 construction) - Micro-purchase Threshold**
 - **Competition in Contracting Act (CICA)**
 - **Economy Act**
 - **Buy American Act**
 - **Services Contract Act / Davis-Bacon Act for construction**
 - **Small Business Set Asides (i.e., Woman-Owned Businesses?)**
 - **Stateside Synopsis Requirements**
 - **Between 10K - 25K: Public Display**
 - **> \$25K: Electronic Synopsis Requirement**
 - **> \$100K Simplified Acquisition Threshold**
 - **\$250K for Declared Contingency, CONUS**
 - **\$1M for Declared Contingency, OCONUS**
-
- **\$5.5M SAP for Commercial Items / \$11M for Contingencies**



Contractual Instruments

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- **Purchase Orders (SF 1449)**
- **Standard Form 44**
- **Blanket Purchase Agreements (BPAs)**
- **Government Purchase Card (limited in JCC I/A)**
- **Formal Contract Types**
 - **Letter Contract FAR 16.603-2**
 - ***Let's look at the template within your Student Folder***
 - **Indefinite Quantity Type Contract ... FAR 16.504(a)**
 - ***Your Student Folder has a sample solicitation***
 - **Requirements Contract FAR 16.500**

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Purchase Orders and Order for Supplies and Services

- **Purchase Orders ... SF 1449**
 - **Solicitation / Contract / Order for Commercial Items**
 - **Self-contained, one time awards typically resulting in one delivery and one payment**
 - **If necessary, include payment terms for continuous service**

- **Order for Supplies and Services ... DD Form 1155**
 - **Order for Supplies and Services**
 - **Typically used for BPA's and GSA Orders**



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Contingency Contracting Clauses for Purchase Orders

- **Sample of specific clauses used in Contingencies:**
 - ***FAR 52.225-13 Restrictions on certain Foreign Purchases***
 - ***FAR 52.203-3 Gratuities***
 - ***FAR 52.204-9 Personal Identity Verification of Contractor***
 - ***DFARS 252.225-7041 Correspondence in English***
 - ***DFARS 252.225-7042 Authorization to Perform***
 - ***DFARS 252.225-7043 Antiterrorism/Force Protection policy***
 - ***DFARS 252.229-7000 Invoices Exclusive of Taxes or Duties***
 - ***DFARS 252.233-7001 Choice of Law (Overseas)***
 - ***DFARS 252.209-7004 Subcontracting With Firms That Are Owned or Controlled By the Gov't of A Terrorist Country***
 - ***AFFARS 5352.223-9001 Health & Safety on Gov't Installations***
 - ***AFFARS 5352.242-9000 Contractor Access to AF Installations***



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SF 44 - Purchase Order / Invoice / Voucher

- **Over-the-counter supplies and services during the initial days of the build-up**
- **No terms and conditions - no clauses**
- **Can be delegated to functional areas after appointment and training**
- **Questions:**
 - **Safeguarding of SF 44 Books? IAW?**
 - **Maximum dollar amount for SF 44s?**
 - **FAR Part 13?**
 - **FAR 12.204(a)(1)?**

U.S. GOVERNMENT PURCHASE ORDER-INVOICE VOUCHER			
DATE OF ORDER		ORDER NO.	
PRINT NAME AND ADDRESS OF SELLER (Number, Street, and State) *			
1" A V G H			
Furnish Supplies or Services to (Name and address)			
SUPPLIER OR SERVICE	QTY	UNIT PRICE	AMOUNT
SUPPLIER NAME AND BILLING ADDRESS*		TOTAL	
1" A V G H		DISCOUNT TERMS % DAYS DATE INVOICE RECEIVED	
ORDERED BY (Signature and title)			
PURPOSE AND ACCOUNTING DATA			
PURCHASER - To sign below to acknowledge receipt of items			
RECEIVED BY			
TITLE		DATE	
SELLER - Please read instructions on Copy 2			
<input type="checkbox"/> PAYMENT RECEIVED \$		<input type="checkbox"/> PAYMENT REQUESTING \$	
NO FURTHER INVOICE NEED BE SUBMITTED			
SELLER		DATE	
Signature		Today's date	
I certify that this account is correct and proper for payment in the amount of		DIFFERENCE	
\$			
		ACCOUNT VERIFIED CORRECT FOR	
Authorized certifying officer		BY	
PAYED BY	CASH	DATE PAID	VOUCHER NO.
OR	(Check No.)	-	
REVERSE SIDE 3P CODE		FORWARD SIDE 4. SELLER'S INVOICE 5. BUYER'S INVOICE 6. RECEIPT 7. CHECK 8. CREDIT ADVISORY 9. CANCELLATION 10. CANCELLATION 11. CANCELLATION 12. CANCELLATION 13. CANCELLATION 14. CANCELLATION 15. CANCELLATION 16. CANCELLATION 17. CANCELLATION 18. CANCELLATION 19. CANCELLATION 20. CANCELLATION 21. CANCELLATION 22. CANCELLATION 23. CANCELLATION 24. CANCELLATION 25. CANCELLATION 26. CANCELLATION 27. CANCELLATION 28. CANCELLATION 29. CANCELLATION 30. CANCELLATION 31. CANCELLATION 32. CANCELLATION 33. CANCELLATION 34. CANCELLATION 35. CANCELLATION 36. CANCELLATION 37. CANCELLATION 38. CANCELLATION 39. CANCELLATION 40. CANCELLATION 41. CANCELLATION 42. CANCELLATION 43. CANCELLATION 44. CANCELLATION 45. CANCELLATION 46. CANCELLATION 47. CANCELLATION 48. CANCELLATION 49. CANCELLATION 50. CANCELLATION 51. CANCELLATION 52. CANCELLATION 53. CANCELLATION 54. CANCELLATION 55. CANCELLATION 56. CANCELLATION 57. CANCELLATION 58. CANCELLATION 59. CANCELLATION 60. CANCELLATION 61. CANCELLATION 62. CANCELLATION 63. CANCELLATION 64. CANCELLATION 65. CANCELLATION 66. CANCELLATION 67. CANCELLATION 68. CANCELLATION 69. CANCELLATION 70. CANCELLATION 71. CANCELLATION 72. CANCELLATION 73. CANCELLATION 74. CANCELLATION 75. CANCELLATION 76. CANCELLATION 77. CANCELLATION 78. CANCELLATION 79. CANCELLATION 80. CANCELLATION 81. CANCELLATION 82. CANCELLATION 83. CANCELLATION 84. CANCELLATION 85. CANCELLATION 86. CANCELLATION 87. CANCELLATION 88. CANCELLATION 89. CANCELLATION 90. CANCELLATION 91. CANCELLATION 92. CANCELLATION 93. CANCELLATION 94. CANCELLATION 95. CANCELLATION 96. CANCELLATION 97. CANCELLATION 98. CANCELLATION 99. CANCELLATION 100. CANCELLATION	



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Blanket Purchase Agreements

- **Blanket Purchase Agreements (BPAs)**
 - **Simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supplies**
 - **Individuals in functional areas should be appointed, trained, and authorized to place calls against prepriced BPAs.**
 - **BPAs should be issued to several suppliers offering items of the same type as soon as possible to expedite ordering.**
- **We'll go more in-depth and have hands on with BPA's during our next lesson plan (Customer Education)**

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Purchasing Methods, GPC

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- **AFI 64-117, GPC Instruction, dated 31 January 2006**
- **Currently, only CCOs are Card Holders in the AOR**
- **USCENTAF/A4-A7K Card Issuing Authority**
 - **Oversight Responsibility for AOR (CENTAF Personnel Only)**
 - **CMSgt(s) Pigeon, DSN 965-4370
(nanci.pigeon@shaw.af.mil)**
 - **Requires Proof of Training / Certification:**
 - **Home Station and “Access On-Line” DAU Tutorial**
 - **Orders Cards, Hands Out to Office Chiefs, or FedEx to FOL**
- **USCENTAF cards received should already be activated**
 - **Exceptions occur, so be sure to confirm activation!**

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Making GPC Purchases

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- **Preferred method for Supplies, Equipment and Non-personal Services up to GPC threshold for commercial sources**
- **Use the Card when feasible and cost effective (AAFES, etc.)**
- **All purchases from U.S. vendors are to be tax exempt**
 - **OCONUS: Check with Local Embassy (Foreign Tax Exemption)**
- **Airlift ...more expensive than you think!**
 - **Contact LRS to execute correct shipping/custom procedures, otherwise the item may end up in frustrated cargo**
 - **Time is a factor, take lead time into account ...Time = Money**
 - **Be sure to properly label packages entering the AOR**

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Approval Official Actions and CCOs Leaving AOR

- **Approving Official (FM) Verifies Transactions Are:**
 - **Appropriate, mission related, and are IAW AFI 64-117**
 - **Compare CCOs Statement of Account to “Access On-Line”**
 - **Keep in mind currency fluctuations**
- **Rotation Up? You’ll need to destroy your card!**
 - **Work with FM and reconcile prior to departure**
 - **Cut up card and dispose of properly**
 - **If you think that a purchase isn’t going to be delivered before you leave the AOR, don’t use your card!**
- **Account problems? Contact local FM or CMSgt(s) Pigeon**
 - **DSN: 965-4370 / E-mail: nanci.pigeon@shaw.af.mil**



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General Documentation

- **Procurement Instrument Identification Number (PIIN) Logs**
 - **IAW DFARS 204.7003**
 - **CHECK OUT WEBSITE** <https://www.daas.dla.mil/daasingq/>
 - *Check out the “DoDAAC List Deployed” within your Student Folder*
 - **Tracks Purchase Orders**
 - **Tracks Funds**
- **DD Form 350 (Consolidated Acquisition Reporting System)**
 - **So when are they required?**
 - *Check out the “DD 350” document within your Student Folder*
- **Number of Actions and Dollars Spent**

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File Documentation All Purchasing Methods

- **Establish contract folders/files for each purchase, whether you're using GPC, SF 44, or a SF 1449**
 - **Maintain all documents**
 - **AF Form 9**
 - **Solicitation Documents**
 - **Contract Instrument**
 - **D&Fs, J&As, PNMs and MFRs**
 - **Close-out Documents**

Document, Document, Document

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Administration

- **Cradle to Grave - PR to Close-out**
 - **Receive PR**
 - **Solicit Vendors**
 - **Evaluate and Award**
 - **Administer Contract**
 - **Follow-up ... by exception?**
 - **Receiving Report**
 - **Contractor Submits Invoice**
 - **Close-out Contract**

***Line them up and knock them
down...***

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Terminations

- **Contracts awarded throughout the deployment should be tailored to minimize formal termination requirements wherever possible**
- **TERMINATION FOR CONVENIENCE (T4C)**
 - **Use for Firm Fixed Price: FAR 52.249-1**
 - **Use for Services: FAR 52.249-4**
 - **Appropriate for redeployment/termination of the operation**
 - **Government's unilateral right**
- **TERMINATION FOR DEFAULT (T4D)**
- **TERMINATION FOR CAUSE (T4C Commercial)**

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Contract Closeout

- **Coordinate with contractors and user the timing and procedures for return of all rental items;**
- **Determine which contracts require formal T4C;**
- **Negotiate a reduction of services;**
- **Ensure that receiving reports and invoices for all purchases pending payment are processed;**
- **Coordinate with the disbursing agent for final payments;**
- **Settle all contractor claims prior to redeployment (document used: Release of Claims); and**
- **Coordinate the disposition of all purchased assets to include site restoration if necessary.**

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Contract File Staging and Disposition

- **IAW AFFARS CC-502-4(a)(2)**
 - **Contract action reporting and disposition: Report all contract actions and dollar amounts to the contracting activity that issued the PIINs used during the deployment; total actions and dollars will be reported by office chiefs to theater MAJCOM / A7K prior to departure**
- **Contract files are staged at contracting activity that issued the PIINs used during the deployment**
 - **Stage files locally for 12 months per DFARS 204.800**
- **Destroy files in accordance with FAR 4.805 when:**
 - **Over the SAT: 6 Years, 3 Months**
 - **Under the SAT: 3 Years**
- **Check with the HCA chain of command you are supporting to determine your actions**

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Summary

- **Purchase Methods**
- **Contractual Instruments and Clauses**
- **Files and Documentation**
- **Administration**
- **Termination**
- **Contract Closeout**
- **Contract File Staging and Disposition**

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Questions?



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